

BILL ANALYSIS

Senate Research Center

S.B. 401
By: Ellis
Finance
6-9-95
Enrolled

BACKGROUND

Under current law, the Texas Comptroller of Public Accounts administers and collects most of the taxes levied by the state. The comptroller audits taxpayers and enforces existing tax laws to ensure taxpayer compliance. In this way, the agency makes sure that the state receives all of the tax money that is legitimately due and prevents any taxpayer from enjoying a competitive advantage by withholding tax money due the state.

PURPOSE

As enrolled, S.B. 401 enforces timely payment of taxes and fees collected by the comptroller more efficiently and effectively than current law allows.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 111.016, Tax Code, as follows:

Sec. 111.016. PAYMENT TO THE STATE OF TAX COLLECTIONS. (a) Created from existing text.

(b) Provides that an individual who controls or supervises the collection of tax or money from another person, or an individual who controls or supervises the accounting for and paying over of the tax or money, and who wilfully fails to pay or cause to be paid the tax or money is liable as a responsible individual for an amount equal to the tax or money not paid or caused to be paid. Provides that the liability imposed by this subsection is in addition to any other penalty provided by law. Prohibits the dissolution of a corporation, association, or partnership from affecting an individual's liability under this subsection.

(c) Grants the district courts of Travis County exclusive, original jurisdiction of a suit arising under this section.

(d) Defines "responsible individual" and "tax."

SECTION 2. Amends Chapter 111B, Tax Code, by adding Section 111.063, as follows:

Sec. 111.063. PENALTY FOR FAILURE TO USE ELECTRONIC FUNDS TRANSFER. (a) Authorizes the comptroller to impose a five percent penalty on a person who is required to pay the tax by means of electronic funds transfer and does not pay the tax by means of electronic funds transfer.

(b) Provides that the penalty is in addition to any other penalties.

SECTION 3. Amends Section 111.206, Tax Code, by adding Subsection (f), to define "federal regulatory agency."

SECTION 4. (a) Effective date: September 1, 1995.

(b) Makes application of Sections 1-3 of this Act prospective.

(c) Requires the changes in law made by Section 4 to extend the limitations period in which the comptroller can collect a tax.

SECTION 5. Emergency clause.